



**Investment Advisory Group, LLC  
Form ADV2A – Disclosure Brochure**

**51 Mill Street, Building D, Suite 101  
Hanover, MA 02339  
Phone: 781-826-1235  
[www.IAGAdvisors.com](http://www.IAGAdvisors.com)**

**March 2, 2021**

This Form ADV 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Investment Advisory Group, LLC (“Investment Advisory Group”). If you have any questions about the content of this Disclosure Brochure, please contact us at (781) 826-1235.

The information in this Disclosure Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority. The term “registered investment advisor” does not imply a certain level of skill or training.

Additional information about Investment Advisory Group and its Advisory Persons is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor’s firm name or CRD# 109445.

Investment Advisory Group, LLC  
51 Mill Street, Building D, Suite 101, Hanover, MA 02339  
Phone: (781) 826-1235  
<https://iagadvisors.com/>

## **Item 2 - Material Changes**

Form ADV 2 is divided into two parts: Part 2A (*the “Disclosure Brochure”*) and Part 2B (*the “Brochure Supplement”*). The Disclosure Brochure provides information about a variety of topics relating to an Advisor’s business practices and conflicts of interest. The Brochure Supplement provides information about the Advisory Persons of Investment Advisory Group.

Investment Advisory Group believes that communication and transparency are the foundation of its relationship with clients and will continually strive to provide you with complete and accurate information at all times. Investment Advisory Group encourages all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with the Advisor.

### Material Changes

There have been no material changes to this Disclosure Brochure since the last filing and distribution to Clients.

### Future Changes

From time to time, the Advisor may amend this Disclosure Brochure to reflect changes in business practices, changes in regulations or routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to you annually and if a material change occurs.

At any time, you may view the current Disclosure Brochure on-line at the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor’s firm name or CRD# 123456. You may also request a copy of this Disclosure Brochure at any time, by contacting the Advisor at (781) 826-1235.

### Item 3 - Table of Contents

Item 2 - Material Changes .....	2
Item 3 - Table of Contents .....	3
Item 4 - Advisory Business.....	4
Item 5 - Fees and Compensation .....	6
Item 6 - Performance-Based Fees and Side-By-Side Management.....	8
Item 7 - Types of Clients .....	8
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss.....	9
Item 9 - Disciplinary Information.....	10
Item 10 - Other Financial Industry Activities and Affiliations.....	10
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	11
Item 12 - Brokerage Practices .....	13
Item 13 - Review of Accounts .....	14
Item 14 - Client Referrals and Other Compensation .....	15
Item 15 - Custody .....	13
Item 16 - Investment Discretion .....	14
Item 17 - Voting Client Securities .....	14
Item 18 – Financial Information .....	14

#### **Item 4 - Advisory Business**

Investment Advisory Group, LLC (“Investment Advisory Group” or the “Advisor”) is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The Advisor has been in business since 1998. Investment Advisory Group is a limited liability company (“LLC”) in the Commonwealth of Massachusetts that was formed in 2003. Certain Advisory Persons of Investment Advisory Group provide advisory services under a practice name or “doing business as” name of Maritime Wealth Advisors LLC. However, advisory services are engaged exclusively through Investment Advisory Group. Additional information about Investment Advisory Group and its Advisory Persons is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor’s firm name or CRD# 109445. The Principal Owners and Managing Partners are Jay Richards, CFP® (Partner, Chief Compliance Officer) and George McCall, CFP® (Partner). This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by Investment Advisory Group. Investment Advisory Group provides advisory services to individuals, high net worth individuals, trusts, estates and charitable organizations (each a “Client”).

The Advisor serves as a fiduciary to Clients, as defined under the applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate potential conflicts of interest. Investment Advisory Group’s fiduciary commitment is further described in the Advisor’s Code of Ethics. For more information regarding the Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

Investment Advisory Group serves as a financial planner on behalf of its Clients either as a component of investment management services or as a standalone service. Investment Advisory Group provides advice through consultations in the form of a financial plan. Any Client requiring this type of service may receive a formal financial plan, providing the Client with a financial blueprint designed to help achieve their stated financial goals and objectives. Certain financial planning engagements have a less formal output. There can be no assurances that goals will be met through a financial plan. In general, a financial plan will address any or all of the following areas: Personal, Business, Tax and Cash Flow, Death and Disability, Retirement, Investments, Estate.

Investment Advisory Group will gather required information through in-depth interviews with Clients with particular attention to Client goals and attitudes toward risk. The Advisor may also require the Client to provide certain documents and/or complete certain questionnaires in order to gain a full understanding of the Client’s financial situation. Financial planning and consulting recommendations pose a conflict between the interests of the Advisor and the interests of the Client. For example, the Advisor has an incentive to recommend that Clients engage the Advisor for investment management services or to increase the level of investment assets with the Advisor, as it would increase the amount of advisory fees paid to the Advisor.

Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to implement the transaction through the Advisor.

Investment Advisory Group provides customized investment advisory solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and financial planning services. Investment Advisory Group works closely with each Client to identify their investment goals and objectives as well as risk tolerance and overall financial situation in order to create a portfolio strategy. Investment Advisory Group will then construct an investment portfolio consisting primarily of diversified mutual funds and exchange-traded funds (“ETFs”) or fixed income. The Advisor may also utilize other types of investments on a case-by-case basis. The Advisor may retain legacy positions held by the Client due to tax considerations.

Investment Advisory Group will select, recommend and/or retain mutual funds on a fund by fund basis. Due to specific custodial and/or mutual fund company constraints, material tax consideration, and/or systematic

investment plans, Investment Advisory Group will select, recommend and/or retain a mutual fund share class that does not have trading costs, but do have higher internal expense ratios than institutional share classes. Investment Advisory Group will seek to select the lowest cost share class available that is in the best interest of each Client and will ensure the selection aligns with the Client's financial objectives and stated investment guidelines.

Investment management is determined by the stated objectives of the Client (Aggressive Growth, Growth, Conservative, Balanced, Preservation, or Fixed Income). Various investment strategies are used in the management of the account[s]. Investment Advisory Group is free to use investment models or use its own research methods and management styles to create a customized portfolio strategy. Investment Advisory Group's investment strategies are primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held less than one year to meet the objectives of the Client or due to market conditions. Investment Advisory Group will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by the Advisor.

Investment Advisory Group evaluates and selects investments for inclusion in Client model portfolios only after applying its internal due diligence process. Investment Advisory Group may recommend, on occasion, redistributing investment allocations to diversify the portfolio. Investment Advisory Group may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement. Investment Advisory Group may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of the Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client's risk tolerance.

Investment Advisory Group will not accept custody for any accounts of its Clients, except for the limited authority as outlined in Item 15 – Custody. All Client assets will be managed within the designated brokerage account[s] at the Custodian, pursuant to the terms of the advisory agreement. Please see Item 12 – Brokerage Practices. authorized deduction of its investment management fees from Client accounts.

#### Use of Independent Managers

Investment Advisory Group may recommend that Clients utilize one or more unaffiliated investment managers or investment platforms (collectively "Independent Managers") for all or a portion of a Client's investment portfolio, based on the Client's needs and objectives. In certain instances, the Client may be required to authorize and enter into an investment management agreement with the Independent Manager[s] that defines the terms in which the Independent Manager[s] will provide its services. The Advisor will perform initial and ongoing oversight and due diligence over each Independent Manager to ensure the strategy remains aligned with Clients investment objectives and overall best interests. The Advisor will also assist the Client in the development of the initial policy recommendations and managing the ongoing Client relationship. The Client, prior to entering into an agreement with an Independent Manager, will be provided with the Independent Manager's Form ADV Part 2A - Disclosure Brochure (or a brochure that makes the appropriate disclosures).

Investment Advisory Group does not manage or place Client assets into a wrap fee program. Investment management services are provided directly by Investment Advisory Group.

As of December 31, 2020, Investment Advisory Group manages approximately \$ 619,900,000 of Client assets, all of which are managed on a discretionary basis. Clients may request more current information at any time by contacting the Advisor.

## Item 5 - Fees and Compensation

The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client engaging the Advisor for services described herein shall be required to enter into a written agreement with the Advisor.

Investment management fees will be calculated when the initial dollar amount is received and prorated through the remainder of the initial quarter. Investment management fees will be billed the beginning of each calendar quarter based on the closing market value of all assets in the Client's account[s] at the end of the previous quarter. Investment management fees are paid in advance of each calendar quarter. The market value of variable annuity accounts will be included in the calculation of investment management fees for fee-based variable annuity accounts and deducted from a designated brokerage account held at Fidelity. Fees and charges will be listed on the Client's account statements provided at least quarterly by Fidelity. All securities held in accounts managed by Investment Advisory Group will be independently valued by the Custodian. Investment Advisory Group will not have the authority or responsibility to value portfolio securities.

No adjustments for fees will be made for additional deposits or partial withdrawals made between billing quarters. Accounts that are closed between billing quarters will be refunded on a prorated basis within thirty (30) days. Fees are based on the following schedule:

### Investment Management Base Fee Schedule

#### **Balanced & Equity Portfolios, Bond Fund Portfolios**

<i>Portfolio Value:</i>	<i>Per Year</i>
\$1.00 to \$1 million	1.00% (100 basis points)
Over \$1 million	1.00% to 0.75% (75 basis points) Based on complexity and services provided

#### **Individual Fixed Income Portfolios**

<i>Portfolio Value</i>	<i>Per Year</i>
All	0.50% (50 basis points)

Fees for investment management services may be more or less than the cost of obtaining such services from other providers. Fees are negotiable at the sole discretion of the Advisor. The Advisor aggregates all accounts in a Client's household to determine the fee breakpoints above.

Clients may incur certain fees or charges imposed by third parties, other than Investment Advisory Group, in connection with investments made on behalf of the Client's account[s]. The Client is responsible for all securities execution and custody fees charged by the Custodian, if applicable. The Advisor's recommended custodian does not charge securities transaction fees for ETF and equity trades in Client accounts, provided that the Client's accounts meet the terms and conditions of the Custodian's brokerage requirements. However, the Custodian typically charges for mutual funds and other types of investments. The investment management fee charged by Investment Advisory Group is separate and distinct from these custody and execution fees.

In addition, all fees paid to Investment Advisory Group for investment management services are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. Additionally, as noted above, in certain circumstances the Advisor will select share classes which do not have trading costs, but do have higher internal expenses ratio's than institutional share classes. Please refer to Item 12 – Brokerage Practices for additional information.

**The Client or Investment Advisory Group may terminate one, or all, of the services provided under the agreement at any time by written notice to the other party. Upon termination the unearned portion of all prepaid fees will be promptly refunded to the Client.**

The fee for stand-alone financial planning service[s] can be on an hourly rate, fixed fee and/or annual retainer. If the fee is based on an hourly or fixed rate a portion of up to 50% of the financial planning fee may be payable at the time the financial planning agreement is signed. The balance is due on completion of the service[s].

Financial planning fees will be calculated based upon the extent and complexity of the individual Client's personal circumstances. The fee for financial planning services can be on an hourly rate, fixed fee and/or annual retainer. All fees are agreed upon prior to entering into a Fee Agreement with any Client.

Hourly fees range from \$100 to \$300 per hour. Fixed fees and annual retainer fees will typically range from \$500 to \$10,000 with a minimum fee of \$500. Fees are negotiable at the sole discretion of the Advisor. The financial planning agreement may be terminated in writing within five (5) business days of executing the agreement without penalty. The agreement may be terminated in writing after five (5) days and a pro rata refund of prepaid fees will be issued to the account holder.

A financial planning report will be presented to the Client within ninety (90) days of entering the agreement, provided that all information needed to prepare the written report has been promptly provided by the Client.

Collection of fees for retainer services will be collected when the retainer service work is initiated or payable within three months of work completion. The Advisor will not collect advance fees of \$1,200 or more for services that will be completed six months or more in the future.

#### Use of Independent Managers

As noted in Item 4, the Advisor may implement all or a portion of a Client's investment portfolio utilizing one or more Independent Managers. To eliminate any conflict of interest, the Advisor does not earn any compensation from an Independent Manager. The Advisor will only earn its investment advisory fee as described above. Independent Managers typically do not offer any fee discounts but may have a breakpoint schedule which will reduce the fee with an increased level of assets placed under management with an Independent Manager. The terms of such fee arrangements are included in the Independent Manager's disclosure brochure and applicable contract[s] with the Independent Manager. The total blended fee, including the Advisor's fee and the Independent Manager's fee, will not exceed 2.00% annually.

#### Additional Information

Fees above are for Investment Advisory Group only. Additional fees for unaffiliated money managers are itemized on Schedule C of the Investment Advisory Group Agreement. For Client accounts implemented through an Independent Manager, the Client's overall fees will include Investment Advisory Group's investment advisory fee (as noted above) plus investment management fees and/or platform fees charged by the Independent Manager. The Independent Manager will assume the responsibility for calculating the Client's fees and deducting all fees from the Client's account[s].

The fees charged will never be based on performance fees/capital gains or the capital appreciation of any funds or any part of any funds of any Client.

A Fee Agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. Upon termination of any Fee Agreement, any prepaid unearned fees will be promptly refunded on a prorated basis. In the event that a Client should wish to terminate their relationship with the Independent Manager, the terms for the termination will be set forth in the respective agreements between the Client and that Independent Manager. Investment Advisory Group will assist the Client with the termination and transition as appropriate.

Advisory fees charged by Investment Advisory Group are separate and distinct from fees and expenses charged by mutual funds, ETFs and variable annuities, which may be recommended to Clients. A description of these fees and expenses are available in each fund or annuity prospectus.

Certain Advisory Persons of Investment Advisory Group may all offer security products in their capacity as Registered Representatives of a broker-dealer. Advisory Persons are also independently licensed to sell insurance products and receive sales commissions on these sales. Please see Item 10 below.

Certain Advisory Persons, in their separate capacity as Registered Representatives, will receive trail commissions (i.e. 12b-1 fees) for a period of time. Load and no-load mutual funds may pay annual distribution charges, sometimes referred to as 12b-1 fees. 12b-1 fees come from fund assets, therefore, indirectly from Client assets. 12b-1 fees may be initially paid to a broker-dealer such as Cetera and a portion passed to the Registered Representative[s] (See Item 10). The receipt of such fees presents a conflict of interest as there is an incentive for an Advisory Person to recommend funds with 12b-1 fees over funds that have no fees or lower fees. The receipt of such fees could represent an incentive for Investment Advisory Group to provide funds with 12b-1 fees over funds that have no fees or lower fees.

Related Client accounts will also be aggregated in the calculation of the fees. Related accounts include husband and wife, parents and minor children, individuals and partnerships they control. Generally, irrevocable trusts will be related to their grantor or trustee. Fees are payable in advance and generally are charged directly to, and deducted from, each respective Client's account[s] maintained by the Custodian upon debit instructions to the custodian as authorized by the Client in the advisory contract unless otherwise instructed. The Client, not the Custodian, is responsible for confirming the accuracy of the fee calculation.

In addition to the advisory fees, Clients may pay transaction fees and other fees associated with maintaining the account[s]. Investment Advisory Group does not share in any portion of such fees. Additionally, Clients may pay their proportionate share of the fund's management and administrative fees and sales charges as well as the mutual fund adviser's fee of any mutual fund they purchase. Such fees are not shared with Investment Advisory Group and are compensation to the fund-manager.

As fees are paid in advance, accounts that are closed between billing quarters will be refunded on a prorated basis within thirty (30) days following the date the account was closed.

## **Item 6 - Performance-Based Fees and Side-By-Side Management**

Investment Advisory Group does not charge performance-based fees for its investment advisory services. The fees charged by Investment Advisory Group are as described in Item 5 above and are not based upon the capital appreciation of the funds or securities held by any Client.

Investment Advisory Group does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

## **Item 7 - Types of Clients**

Investment Advisory Group provides advisory services to individuals, high net worth individuals, trusts, estates and charitable organizations. The amount of each type of Client is available on the Advisor's Form ADV Part 1A. These amounts may change over time and are updated at least annually by the Advisor. Investment Advisory Group generally does not impose a minimum size for establishing a relationship, however certain independent managers may impose a minimum fee.



## **Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss**

### Investment Strategy

Investment Advisory Group relies on an investment philosophy that is based on established academic research, such as the Modern Portfolio Theory and the Fama-French Three-Factor Model, and established discoveries in behavioral finance. The Modern Portfolio Theory says that it is not enough to look at the expected risk and return of one particular asset class. By investing in more than one asset class, an investor can reap the benefits of diversification – chief among them, a reduction in the risk level of the portfolio. The Modern Portfolio Theory quantifies the benefits of diversification. The Fama-French Three-Factor Model, through research, found that over long periods of time, value stocks outperform growth stocks and, similarly, small cap stocks tend to outperform large cap stocks. Therefore, by analyzing these factors it becomes easier to evaluate the potential portfolio performance.

Investment Advisory Group investment philosophy is based on the following basic principles:

- Develop highly diversified portfolios that feature a broad range of asset classes and market sectors.
- Hold the investments for long periods of time.
- Periodically reallocate investments as conditions warrant.
- Strategically rebalance as needed.

Investment Advisory Group portfolios are diversified and invest in many types of mutual funds, ETFs, individual stocks and bonds and features many asset classes and market sectors. However, this approach cannot ensure investment success or prevent loss in a declining market. Past performance is no guarantee of future results.

### Methods of Analysis and Investment Selection

Based on the written investment policy statement, financial plans and asset allocation models tailored to Clients, Investment Advisory Group is granted discretionary authority to implement Client-approved investment strategies. Investments are selected based on past performance (as applicable), manager tenure, portfolio turnover, fees and a variety of academic statistics including beta, standard deviation, R-Squared and Sharpe Ratio. These statistics are provided by third-party vendors and the investment sponsors and are evaluated by Investment Advisory Group and associates of Investment Advisory Group.

We may obtain and utilize information and data from a wide variety of public and private sources. Neither Investment Advisory Group nor our Advisors independently verify or guarantee such information and data. In categorizing the asset classes of investments, we rely on prospectuses and information obtained from the issuer or its agents, or through publicly available sources. Neither Investment Advisory Group nor our Advisors shall be liable for any misstatement or omission contained in the information from these sources, or for any loss, liability, claim, damage or expense incurred, arising out of, or attributable to, such misstatement or omission.

Transactions for different account[s] or for other clients' accounts may or may not be made at the same time, may be made on different days, and may be made over multiple days. In handling purchases and liquidations, we may execute transactions without regard to pending dividend or capital gains distributions, stock splits, mergers, or other corporate or financial events.

A Client may impose reasonable restrictions on the management of the account[s]. When imposing restrictions, a Client may request that particular securities or types of securities not be purchased, or that such securities be sold if held in the account[s]. However, the Client should note that it is impossible for us to influence or change the mix of securities held by any mutual fund or ETF included in the Client's account. We reserve the right, at our sole discretion, to reject any account should the Client request unreasonable or overly restrictive conditions.

### Risk of Loss

Investment Advisory Group may contain a combination of no-load mutual funds, exchange-traded funds (ETFs), annuities, individual stocks and bonds, CDs, Index CDs, all of which are subject to some or all of the following risk factors:

- Market Risk – Even a long-term investment approach cannot guarantee a profit. Economic, political and issuer-specific events will cause the value of securities to rise or fall. Because the value of investment portfolio will fluctuate, there is the risk that you will lose money and your investment may be worth more or less upon liquidation.
- Credit Risk – Credit risk is the risk that the issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value and, thus, impact the fund's performance.
- Interest Rate Risk – In a rising rate environment, the value of fixed-income securities generally declines.
- Capitalization Risk – Small cap and mid cap companies may be hindered as a result of limited resources or less diverse products or services, and their stocks have historically been more volatile than the stocks of larger, more established companies.
- Foreign Securities and Currency Risk – Investments in international and emerging-market securities include exposure to risks such as currency fluctuations, foreign taxes and regulations, and the potential for illiquid markets and political instability.
- Exchange-Traded Funds – ETFs face market-trading risks, including the potential lack of an active market for shares, losses from trading in the secondary markets and disruption in the creation/redemption process of the ETF. Any of these factors may lead to the fund's shares trading at either a premium or a discount to its "net asset value."
- Mutual Fund Risk – The performance of mutual funds is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily; therefore, a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.
- Performance of Underlying Managers – We select mutual funds and ETFs. We depend on the manager of such funds to select individual investments in accordance with their stated investment strategy.

You may lose some or all of the money you invest — your principal — because the securities held may go up and down in value. Dividend or interest payments may also fluctuate as market conditions change. Securities are not guaranteed or insured by the FDIC or any other government agency.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

### **Item 9 - Disciplinary Information**

There are no legal, regulatory or disciplinary events involving Investment Advisory Group or its owners. Investment Advisory Group values the trust Clients place in the Advisor. The Advisor encourages Clients to perform the requisite due diligence on any advisor or service provider with that the Client engages. The backgrounds of the Advisor and its Advisory Persons are available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching by with the Advisor's firm name or CRD# 109445.

### **Item 10 - Other Financial Industry Activities and Affiliations**

Certain Advisory Persons of Investment Advisory Group are also Registered Representatives of Cetera Advisors, LLC ("Cetera"). Cetera is a registered broker-dealer and member of FINRA and the SIPC. Advisory Persons licensed as Registered Representatives of Cetera also have the ability to effect securities transactions in commissionable brokerage account[s] instead of advisory account[s], as appropriate for the Client. In such

instances, the Advisory Person will receive commission income instead of advisory fees. This practice presents a conflict of interest. Commissions may be higher or lower at Cetera than at other broker-dealers. Clients are not obligated to purchase securities products through our Advisory Persons. Financial planning Clients are not under any obligation to engage Investment Advisory Group when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the Client.

Certain Advisory Persons of Investment Advisory Group are also independently licensed to sell insurance products through various insurance companies. When acting in this capacity, they will receive commissions for selling these products. Commissions generated by insurance sales do not offset regular advisory fees. This practice presents a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by the Advisory Persons or the Advisor.

Neither Investment Advisory Group nor a related person is a general partner in any partnership in which Clients are solicited to invest.

### **Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Investment Advisory Group is committed to providing financial planning and/or investment advice with the utmost professionalism and integrity. These qualities are a vital business asset. The confidence placed in the Advisor by Clients is something that the Advisor values and will protect. Investment Advisory Group, including its partners, employees and representatives ( "Supervised Persons"), owe its Clients undivided loyalty and should not engage in any activity that conflicts with the interests of any Client. Doubtful situations will be resolved in favor of our Clients.

Each Supervised Person must certify in writing upon employment and annually, that he or she has received, understood, reviewed and will adhere to the Investment Advisory Group Code of Ethics and Insider Trading Policy. A copy of the Code of Ethics will be provided to Clients and prospective clients upon request.

Investment Advisory Group and its Supervised Persons may buy or sell securities identical to those securities recommended to Clients. Therefore, Investment Advisory Group and its Supervised Persons may have an interest or position in certain securities that are also recommended and bought or sold to Clients. Investment Advisory Group and its Supervised Persons will not put their interests before Client interests. Investment Advisory Group and its Supervised Persons may not trade ahead of you or trade in such a way to obtain a better price for themselves than for you or other Clients.

#### **Insider Trading**

Supervised Persons of the Advisor are prohibited from using or distributing material, non-public information for the purposes of achieving any direct or indirect personal benefit for any account. All Advisory Persons are prohibited from using for their own benefit, or conveying for the benefit or use by others, any material non-public information regarding publicly traded securities of which they may learn in the course of their employment or registration with the Advisor.

### **Item 12 - Brokerage Practices**

Investment Advisory Group does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize Investment Advisory Group to direct trades to the Custodian as agreed in the investment advisory agreement. Further, Investment Advisory Group does not have the discretionary authority to negotiate commissions on behalf of Clients on a trade-by-trade basis.

Where Investment Advisory Group does not exercise discretion over the selection of the Custodian, it will typically recommend Fidelity Clearing & Custody Solutions and related entities of Fidelity Investments, Inc. (collectively "Fidelity"). as the "qualified custodian" for Client accounts (herein the "Custodian"). Fidelity also provides Investment Advisory Group with institutional platform services as described in Item 14 below. As certain Advisory Persons of Investment Advisory Group are also Registered Representatives of Cetera and are

subject to FINRA rules, Cetera must approve any broker-dealer/custodian that is recommended. Cetera has approved Fidelity as a Custodian for Client accounts. Fidelity provides a data feed to Cetera with Client information as required for supervision of Registered Representatives under their broker-dealer. The Client is not required to maintain accounts at a specific broker-dealer/custodian. However, if the recommended custodian is not utilized, the services provided by Investment Advisory Group will be limited to only advice and will not include discretionary investment management. In recommending Fidelity, we periodically evaluate the services offered, the quality of those services and the costs. While we have attempted to negotiate favorable commission rates for transactions and believe that Fidelity offers a competitive rate, however, we cannot guarantee the lowest price and execution.

Investment Advisory Group is independently operated and owned and is not affiliated with Fidelity or Cetera

Following are additional details regarding the brokerage practices of the Advisor:

1. Soft Dollars - Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with a broker-dealer/custodian in exchange for research and other services. Investment Advisory Group does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, the Advisor receives certain economic benefits from the Custodian. Please see Item 14 below.
2. Brokerage Referrals – Investment Advisory Group does not receive any compensation from any third party in connection with the recommendation for establishing an account.
3. Directed Brokerage - All Clients are serviced on a “directed brokerage basis”, where Investment Advisory Group will place trades within the established account[s] at the Custodian designated by the Client. Further, all Client accounts are traded within their respective account[s]. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor’s own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client’s account[s]). Investment Advisory Group will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

Investment Advisory Group does aggregate stock and ETF purchases and sales for various Client accounts when appropriate.

### **Item 13 - Review of Accounts**

Investments in the Client’s account[s] are monitored on a regular and continuous basis by Advisory Persons of the Advisor. Formal account reviews are generally conducted at least annually or more frequently depending on the needs of the Client.

Financial planning Clients may contract for a review of their financial plans or for additional reports for a separate fee.

Client accounts are reviewed as needed by the Investment Advisory Group advisor assigned to that account. Triggering factors include material market, economic, or political events and/or Client attitudinal changes.

Semi-annual performance reports may be provided to each Client in the Investment Management Account (Fidelity Account). Clients of Investment Advisory Group will have access to Performance Reports upon request, at Client meetings with the advisor, and through the online Vault on the Investment Advisory Group website, [www.IAGAdvisors.com](http://www.IAGAdvisors.com). Clients will receive a monthly brokerage statement. Clients should compare the report with statements received directly from the Custodian. Should there be any discrepancy, the account custodian’s report will prevail.

## **Item 14 - Client Referrals and Other Compensation**

Investment Advisory Group has entered into an alliance with James F. Kearney & Co. CPAs, whereby James F. Kearney & Co. will act solely as solicitors. James F. Kearney & Co. will provide Clients with Investment Advisory Group's ADV brochure and disclosure document that discloses that the solicitor is being compensated for referring to Investment Advisory Group advisors. Investment Advisory Group has agreed to compensate James F. Kearney & Co. 20% of the initial financial planning fee and 25% management fee until the Client closes the account. The Client will not be charged any additional amount as a result of the referral arrangement.

James F. Kearney & Co. are not acting as registered investment advisors or CFPs (Certified Financial Planners) and will not endorse any specific investment strategies or perform a due diligence on specific investment strategies.

Investment Advisory Group has an arrangement with Fidelity through which Fidelity provides Investment Advisory Group with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. Fidelity's institutional platform services that assist Investment Advisory Group in managing and administering Clients' accounts include software and other technology that (i) provide access to Client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple Client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its Clients' accounts; and (v) assist with back-office functions, recordkeeping and Client reporting.

Fidelity also offers other services intended to help Investment Advisory Group manage and further develop its advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third-party service providers who provide a wide array of business related services and technology with whom Investment Advisory Group may contract directly.

Fidelity generally does not charge its advisor Clients separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Fidelity or that settle into Fidelity accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity may provide Investment Advisory Group with research material and other products and services.

## **Item 15 - Custody**

Investment Advisory Group does not take custody of Client funds or securities, except for the authorized deduction of the Advisor's fees and certain money movement authority as described below. All Clients' assets are held at a "qualified custodian" as described above. The Custodian provides monthly statements directly to the Clients at their address of record or via email at the Clients' discretion. Investment Advisory Group urges Clients to carefully review such statements and compare them to the Performance Reports provided by Investment Advisory Group. The data in the Investment Advisory Group Performance Report to Clients is downloaded electronically from the Custodian. Generally, the statements from Investment Advisory Group will not vary from the Custodian statement, except occasionally based on the variances of accounting procedures, reporting dates, or valuation methodologies of certain securities. For more information about custodians and brokerage practices, see Item 12 – Brokerage Practices.

If the Client gives the Advisor authority to move money from one account to another account, the Advisor may have custody of those assets. In order to avoid additional regulatory requirements, the Custodian and the Advisor have adopted safeguards to ensure that the money movements are completed in accordance with the Client's instructions.

**Item 16 - Investment Discretion**

Investment Advisory Group generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by the Advisor. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an Investment Advisory Agreement containing all applicable limitations to such authority. All discretionary trades made by Investment Advisory Group will be in accordance with each Client's investment objectives and goals.

**Item 17 - Voting Client Securities**

As a matter of firm policy and practice, Investment Advisory Group does not have any authority to and does not vote on proxies on behalf of Clients. Clients retain the responsibility for receiving and voting on proxies for any and all securities maintained in their accounts. Investment Advisory Group may answer questions regarding the Clients' voting of proxies if requested, however, the Client retains sole responsibility for proxy decisions and voting.

**Item 18 - Financial Information**

Neither Investment Advisory Group, nor its management, have any adverse financial situations that would reasonably impair the ability of Investment Advisory Group to meet all obligations to its Clients. Neither Investment Advisory Group, nor any of its Advisory Persons, have been subject to a bankruptcy or financial compromise. Investment Advisory Group is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not collect advance fees of \$1,200 or more for services to be performed six months or more in the future.